

**EXHIBIT 87 TO
HARVEY DECLARATION
REDACTED VERSION
(Part 1 of 2)**

From: Yolanda Mangolini Sent: 4/19/2007 4:13 PM
To: [-] Carrie Laurenno
Cc: [-]
Bcc: [-]
Subject: Re: diagnostic on sourcing...

Sorry about that! I completely forgot to send it to you. Here you go...The first deck is the overall diagnostic. Some of the graphs in it are illustrative as I was awaiting data. After I reviewed this deck with Shona, she told me she didn't need me to get the data since the qualitative info was strong enough to support the case. My thinking around the recommendation also evolved and the second deck shows how the collaborative sourcing team works. The last slide just depicts what's in my organization.

On 4/19/07, Carrie Laurenno <clarenno@google.com> wrote:

Hi Yolanda!

When you get a chance, I would love to look at your Hiring Diagnostic. Hope you are having a good Thursday.

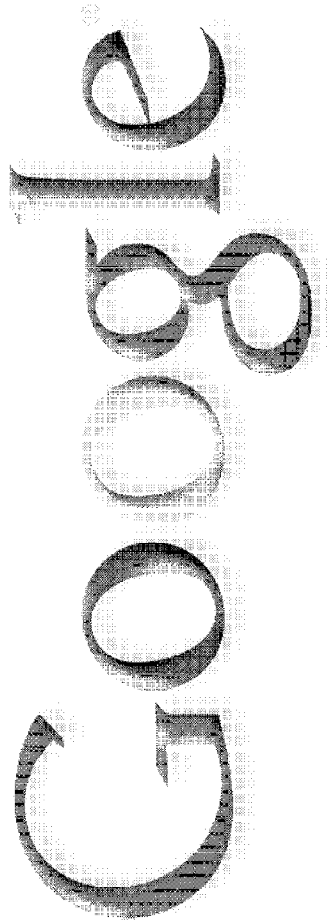
Thanks,

Carrie

Carrie Laurenno
Staffing Programs Manager
Google, Inc.
direct: 650.214.4094
mobile: 917.607.3555

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Sourcing Diagnostic

July 2006

DRAFT



Objectives of Today

- Share findings from sourcing diagnostic
- Discuss proposed recommendations to address current challenges

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Executive Summary (I)

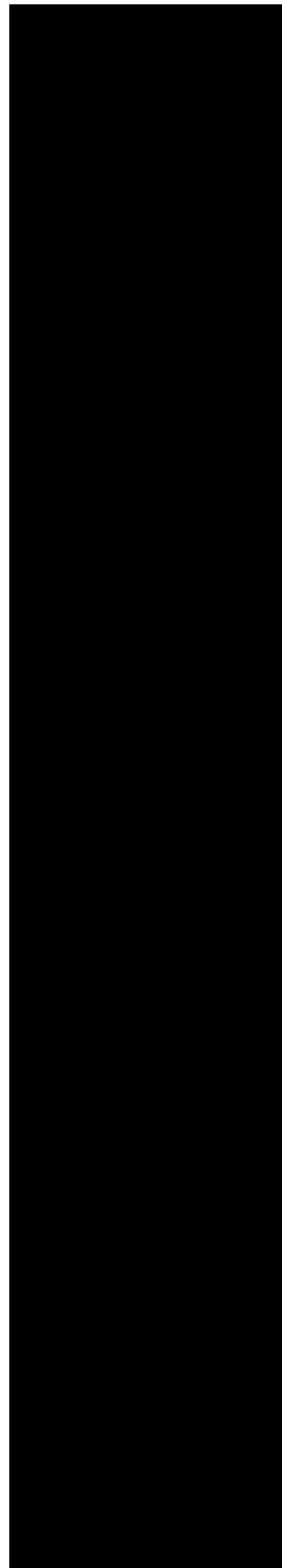
- The recruiting environment for top talent has become more challenging
 - Increased competition from competitors
 - Greater number of start-up opportunities
 - Talent pools are getting smaller and increasingly harder to find, particularly for women and under-represented minorities
- Passive sourcing will play an increasingly larger role in recruiting as we move forward as a company
 - Efficient and effective sourcing organization critical to acquire top talent in current market landscape
- Sourcing comprised of three primary activities
 - Identifying talent pools and what sourcing tools to use ("Where to look ")
 - Searching and identifying potential leads ("Look and Find")
 - Qualifying leads and converting them into active applicants ("Contact and Cultivate")
- Current sourcing model organized around verticals
 - Central sourcing support provided for diversity talent
- There are five common drivers of sourcing problems ...
 - Organization around vertical and geographic silos
 - High share of contract labor in workforce mix
 - Misaligned incentives
 - Deep understanding of unique business dynamics and requirement not widely shared among Staffing team
 - Weak connectivity between Sourcers and Recruiters and Hiring Managers
 - System capability gaps

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Executive Summary (II)

- ... which create organizational and process inefficiencies in current sourcing practices
 - Duplication of effort on searches for positions with similar candidate profile
 - Limited business knowledge transferred to recruiting staff
 - Poor connectivity between key roles within Staffing
 - Limited sharing of qualified candidates across the organization
- Key drivers of sourcing problems fall into common themes
 - Organizational structure
 - Training
 - Process improvement
 - Metrics and measurement
 - Technology
- Proposed solutions attempt to close gaps existing in current organization and align with the common themes

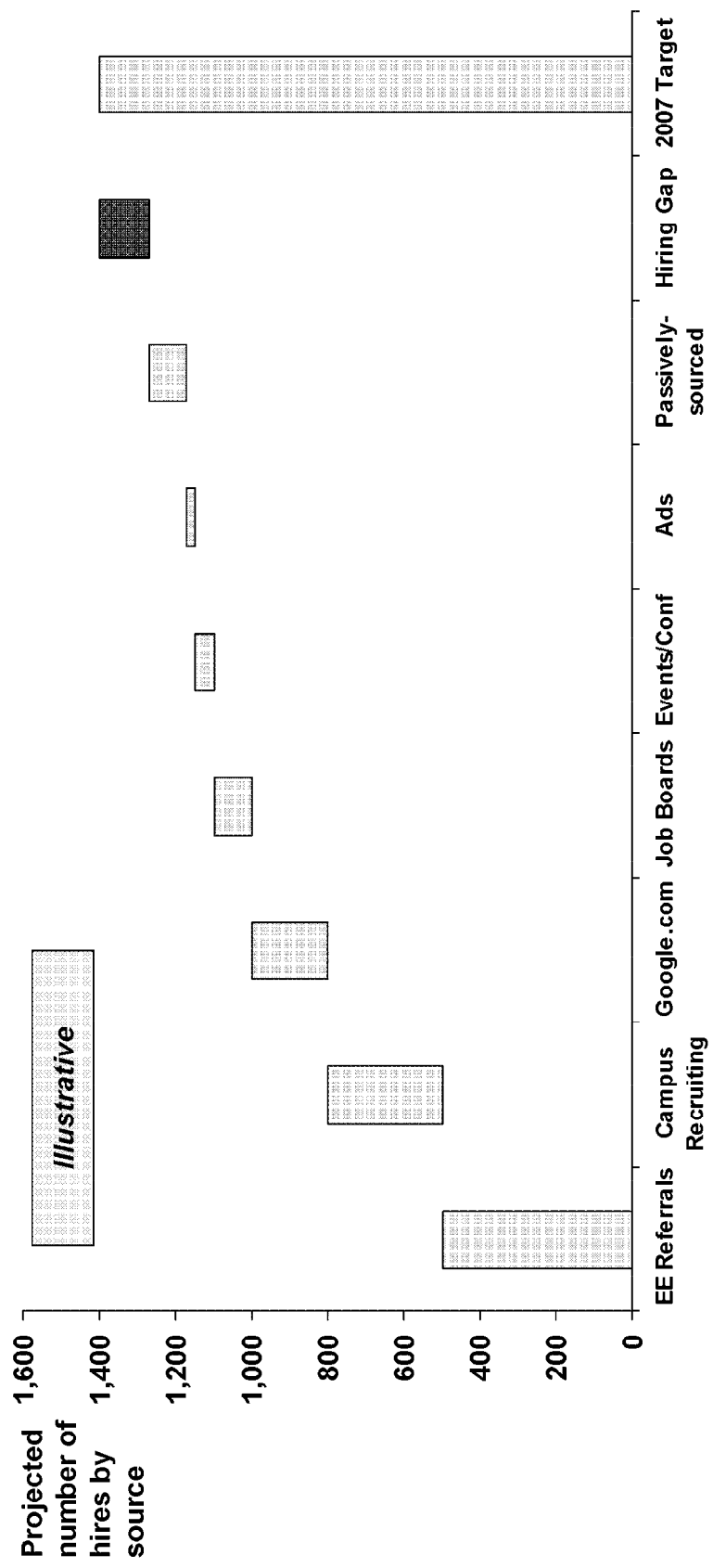


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It Will Be Challenging to Achieve Hiring Targets With Existing Recruiting Channels

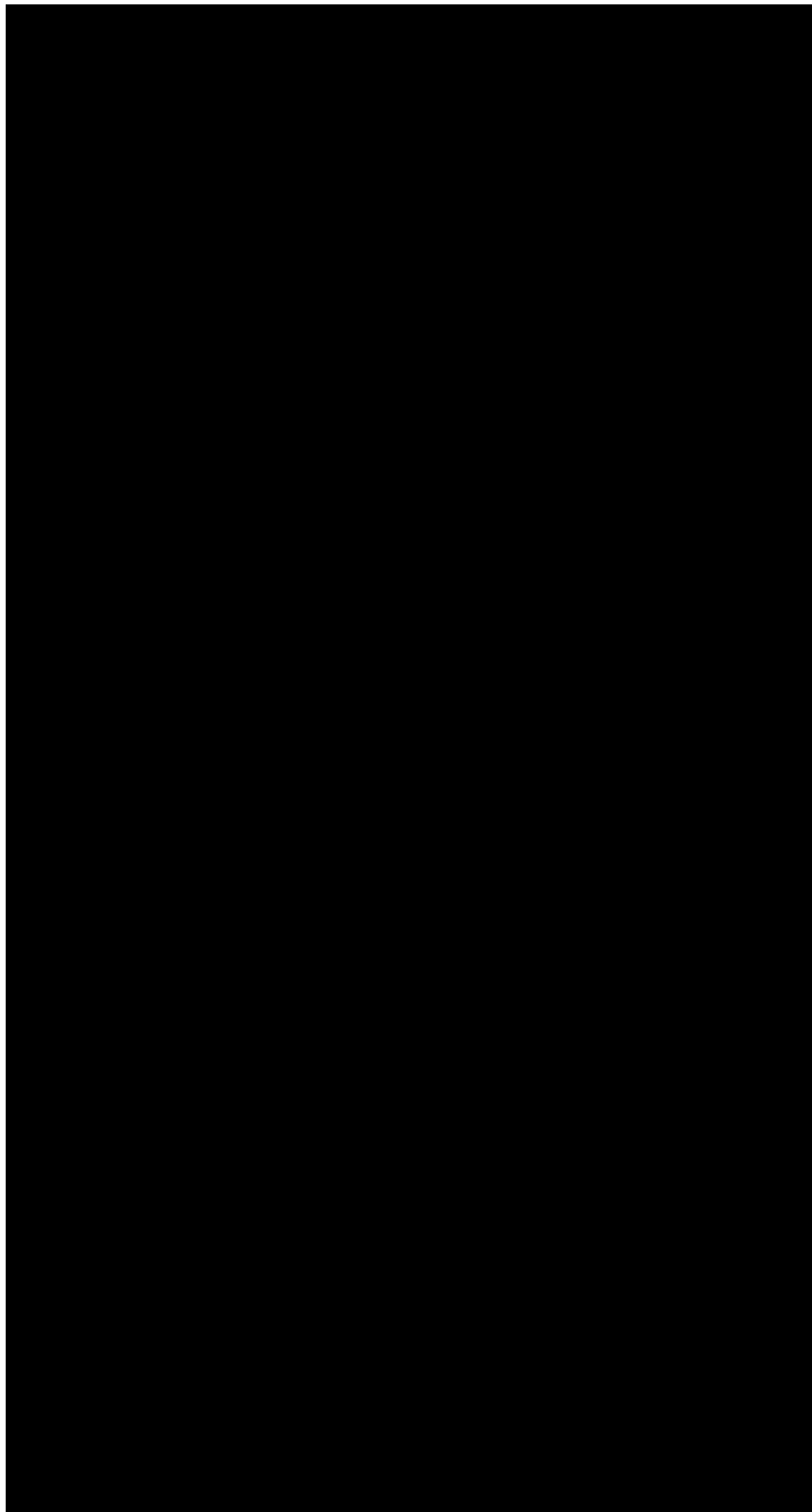
Will Need to be Supplemented by Alternative Sources



Hiring gap can be closed in three ways

- Supplement with increased passive sourcing
- Cast wider recruiting net (e.g., expand beyond target schools for campus recruiting)
- Improve pass-through rates

The Recruiting Environment for Top Talent Has Become More Challenging...

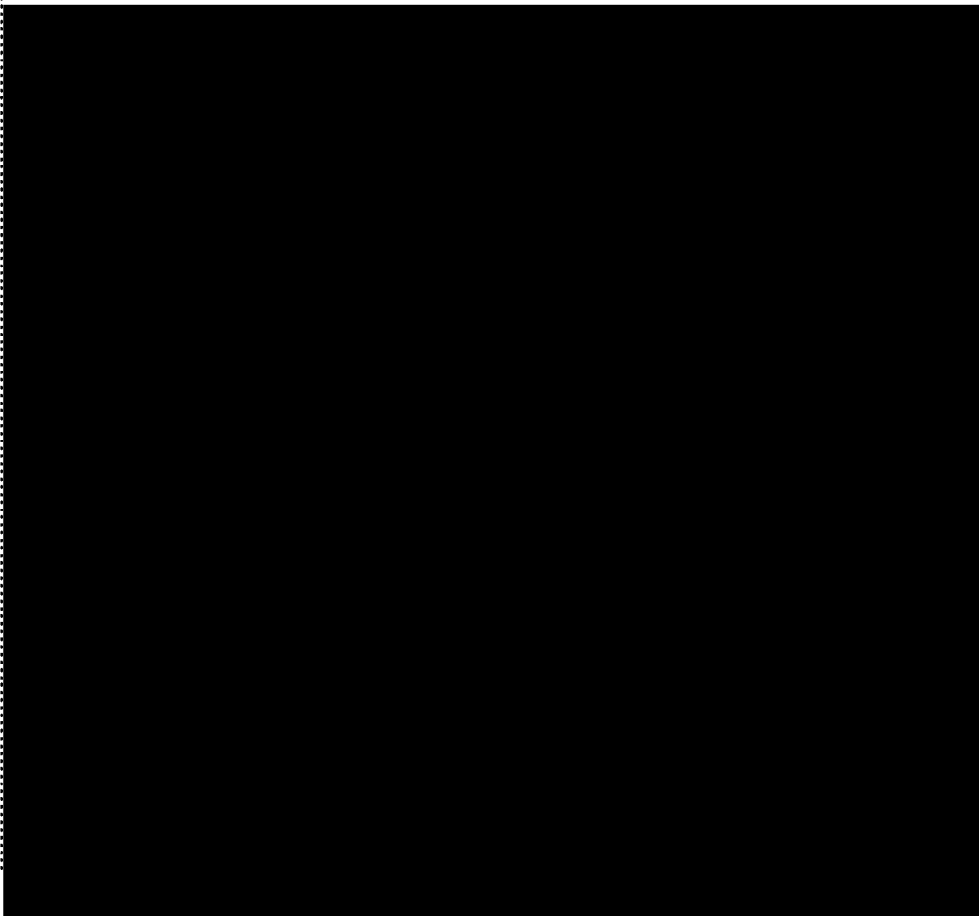


Source: ATS

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...While Inbound Flow from Job Boards Appears to Be Slowing



Possible drivers of reduced on-line application flow

- Increased number of job opportunities in Bay area competing for similar skill sets
 - More start-up opportunities
- More aggressive recruiting by traditional competitors
 - Microsoft
 - EBay
 - Yahoo
- Candidates self-selecting out of process
 - Hesitant to enter process widely known for being extremely selective

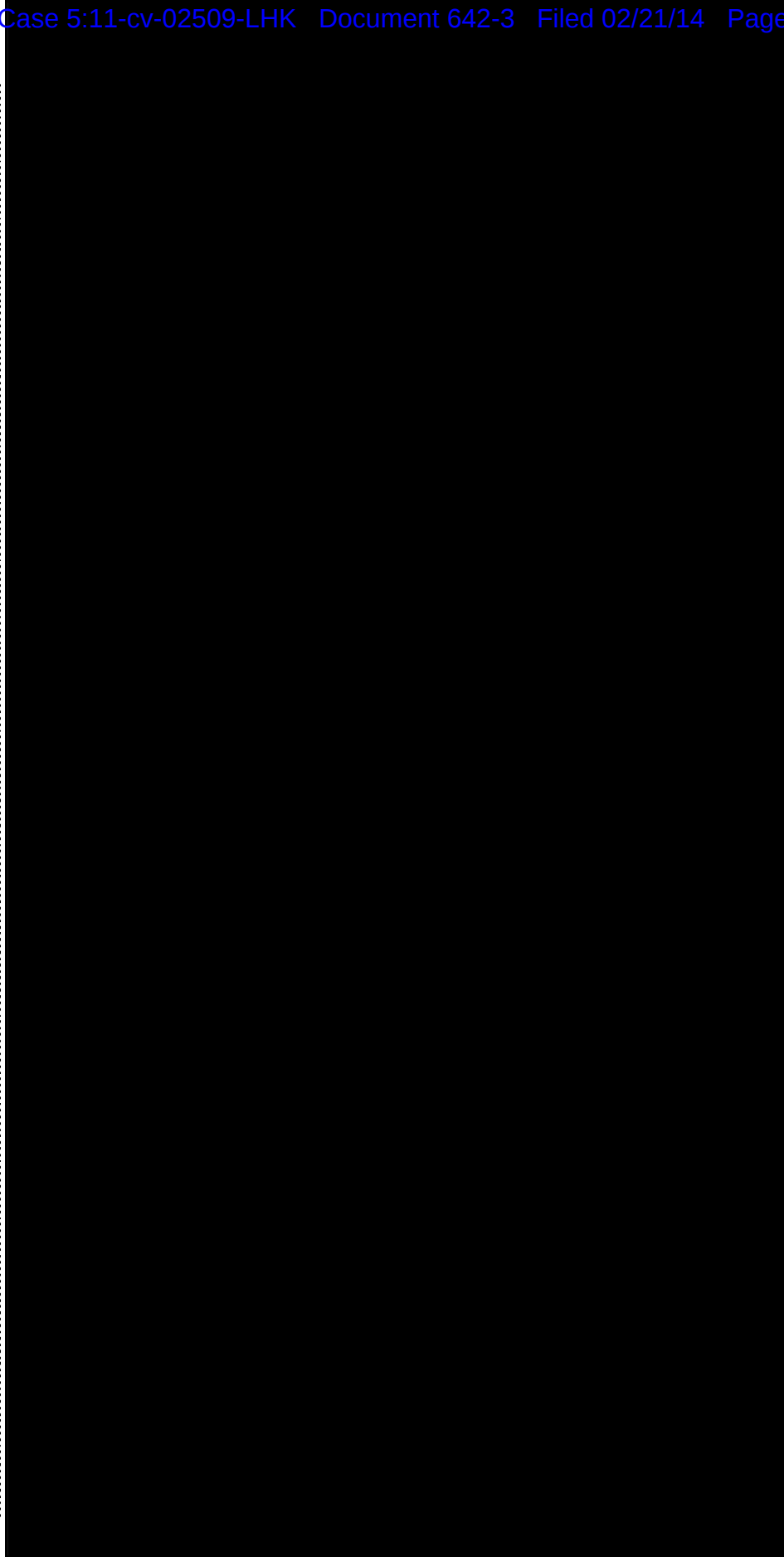
Efficient and effective sourcing organization critical to acquire top talent in current market landscape

(1) PSGA and Ops data is illustrative; currently awaiting data
Source: ATS

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Source: Compensation team

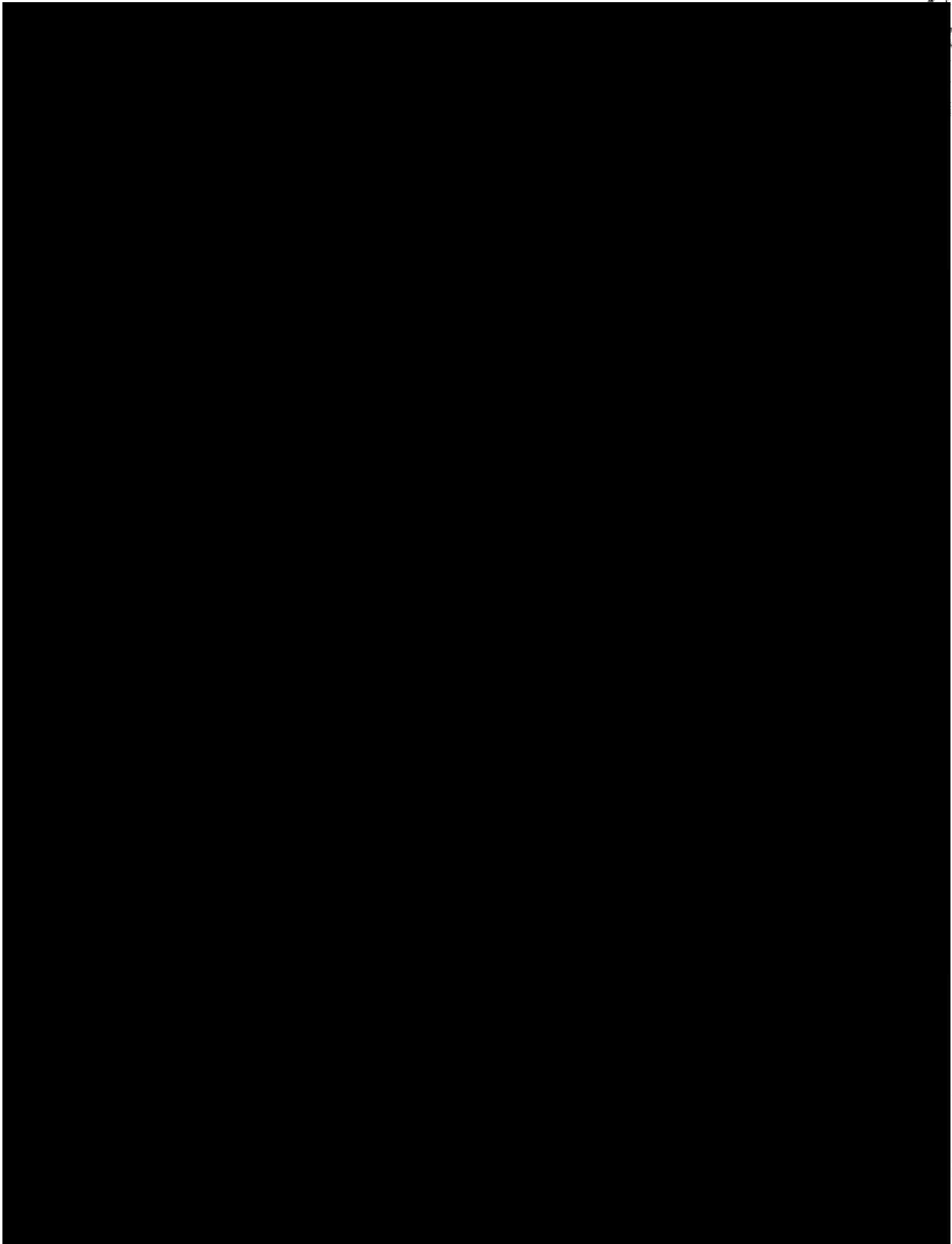
Target Hirable Pools for Diverse Talent Available Extremely Small



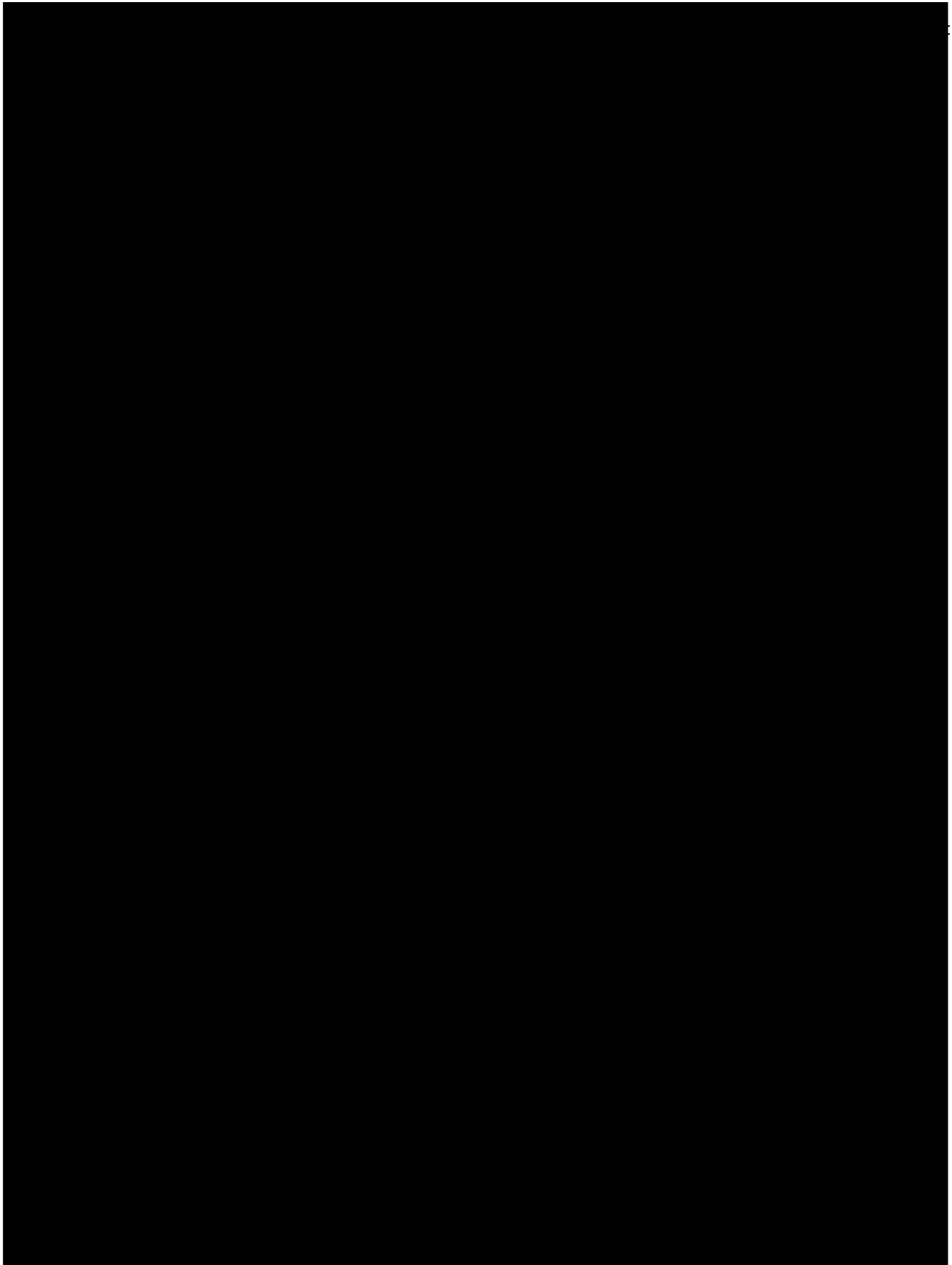
Will need to expand proactive outreach and sourcing to tap into available talent supply

(1) Reflects Q1 2006 data
Source: NSF.gov Land of Plenty U.S. SET Workforce by sector of employment, 2004, ~~Inside~~ ^{and Confidential} Engineer CS degrees awarded ASEE.org & 2006 University Relations Survey Data

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(1) Source: ATS analysis



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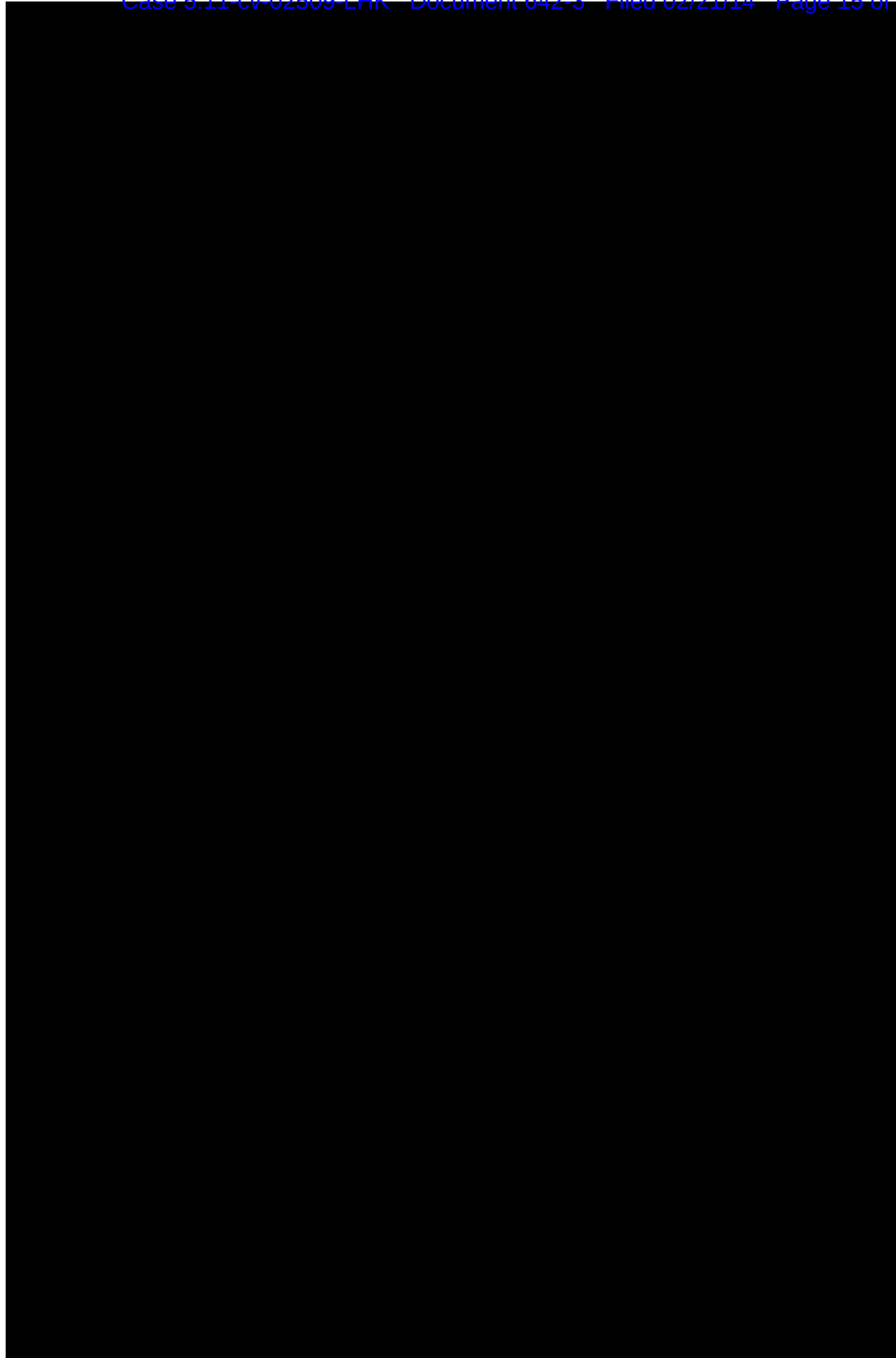
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(1) Reflects Q1 2006 data
Source: ATS analysis

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(1) Reflects Q1 2006 data
Source: ATS analysis



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(1) Reflects Q1 2006 data
Source: ATS analysis

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(1) Reflects Q1-Q2 2006 data
Source: ATS analysis

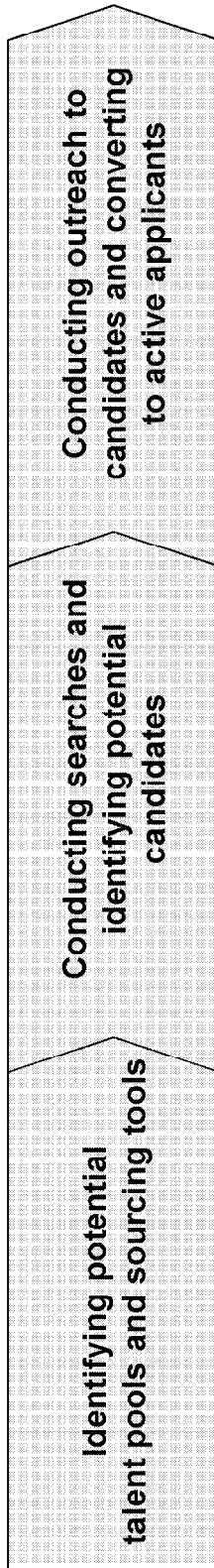
Sourcing Comprised of Three Primary Activities

Requires Different Skill Sets and Areas of Focus

Where to Look

Look and Find

Contact and Cultivate



Skill set

- Problem-solving facility

- Analytical

- Data mining

- Problem-solving facility

- Resume screening skills

- Communication skills

- Sales ability

- Influence skills

Output

- Sourcing strategy

- Talent pool map

- Unqualified pipeline of potential candidates

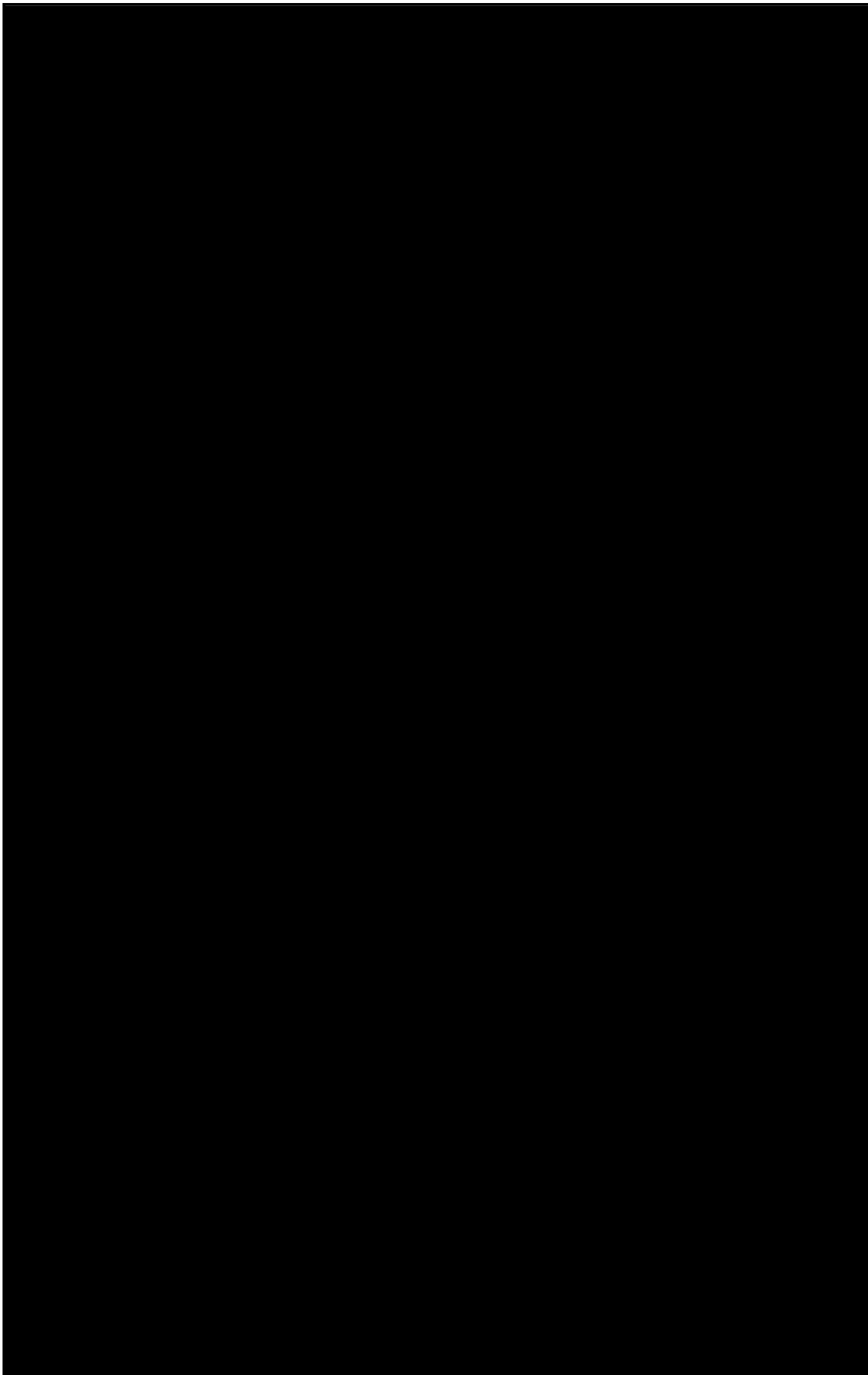
- Qualified pipeline of active applicants

Create Pipeline

Quality Pipeline

Tight integration between activities essential for effective and efficient sourcing processes

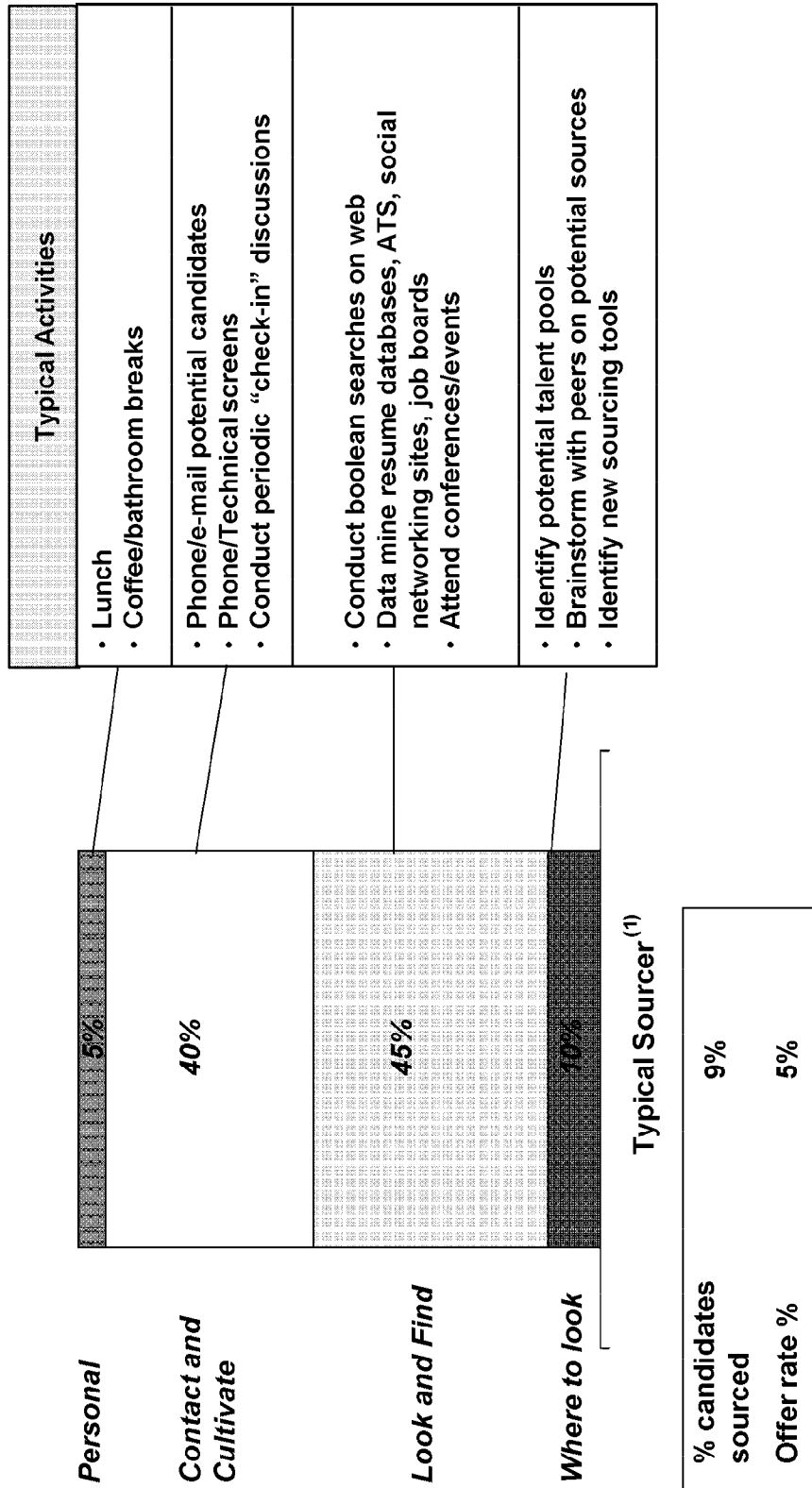
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However, current structure results in some process and organizational efficiencies

- Duplication of effort on searches for positions with similar candidate profile
- Weak connectivity between vertical and geographic silos
- Difficult to appropriately identify qualified candidates

Under Current Google Model, Average Sourcer Time Study is Misleading



On average, sourcers spend approximately two days a week finding potential candidates and two days building relationships with candidates

- Less than a day spent identifying new talent pools

(1) Small sample size (n=20)

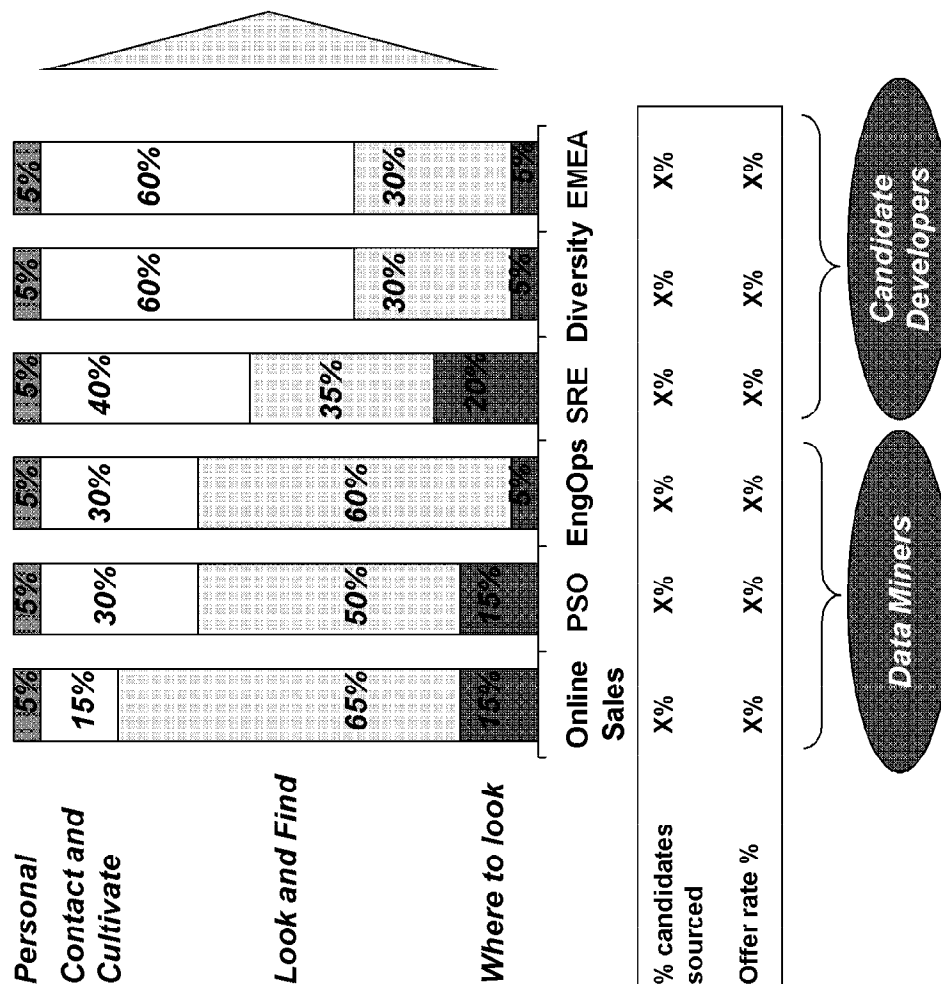
Note: 100% = Sourcer week

Source: Diary study surveying 110 sourcers across the Staffing organization

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However, the Scope of a Sourcer's Responsibility Varies Significantly Across Verticals and Geography

Resulting in Varying Degrees of Effectiveness



Currently no real consistency in Sourcers' role across the Staffing organization

- Sourcers in PSGA and EngOps tend to be more data miners
 - Limited interaction with candidates
 - Focused more on creating pipeline
- Majority of Sourcer time in EMEA, SRE, QA Diversity spent on developing long-term relationships with candidates and converting to applicants
 - Also allocate time to conducting front-end recruiting activities (e.g., pre-screen)
 - Higher leverage model

May be opportunity to create consistently greater leverage for Sourcers and Recruiters across the organization

(1) Small sample size (n=20)
 Note: 100% = Sourcer week
 Source: Diary study surveying 110 sourcers across the Staffing organization

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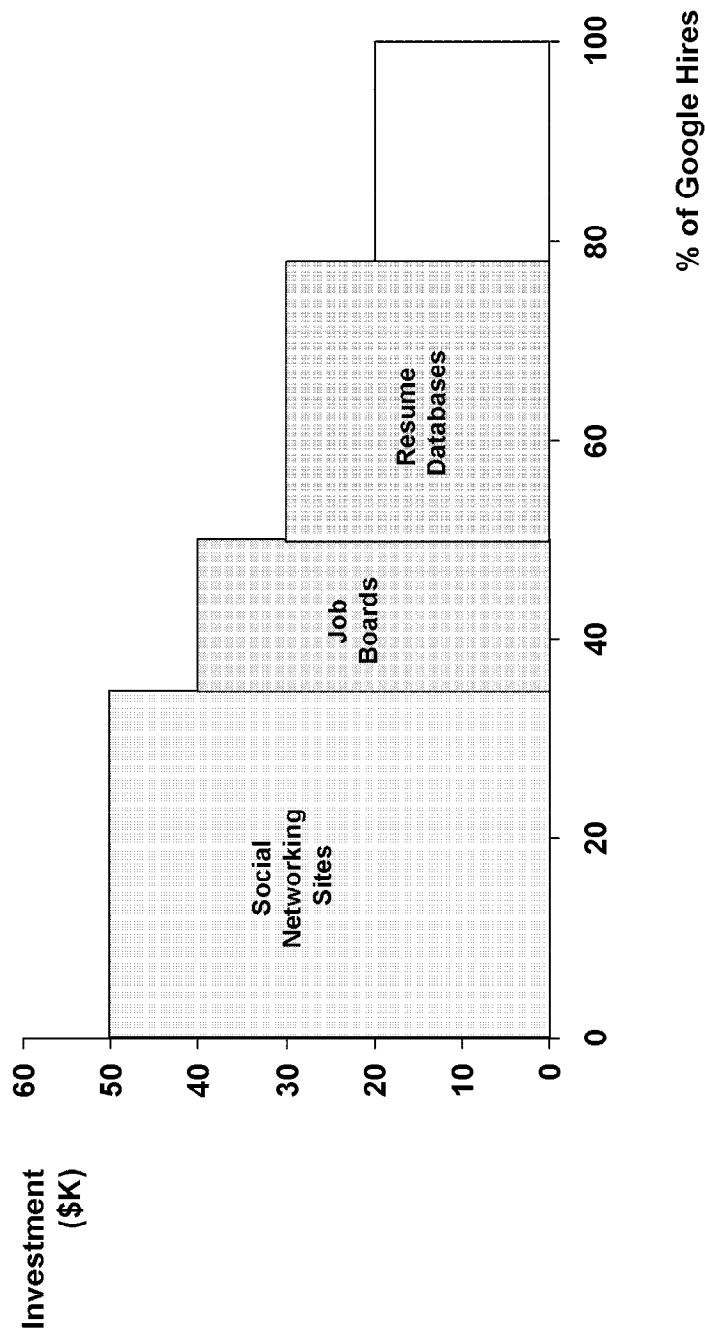
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Source: Job boards team

....Resulting in Over-investments in Tools That Have Not Historically Delivered Many Google Hires

Illustrative – Analysis team current determining whether X-axis data is available at this level of detail



(1)
Note:
Source: Job Boards team

Limited accountability or clear idea of return on investment

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There are Five Common Drivers of Sourcing Problems (I)

Key Drivers	Problem				
	Lack "One Google" perspective	Limited sharing of candidates across the organization	Poor lead tracking and follow-up	High variability in quality of passively sourced candidates	Duplicate search efforts for candidates with similar profiles and competencies
Silos	●	●	○	●	●
Labor force mix	●	●	○	●	◐
Incentive model	◐	●	○	○	○
Systems	○	◐	●	○	○
Business Knowledge	○	●	○	●	◐

○ Not a driver ◐ Somewhat of a driver ● Key driver

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There are Five Common Drivers of Sourcing Problems (II)

Key Drivers	Problem			
	High variability in EE referral process and response times	No strategy or accountability around sourcing tools	Sub-optimize efforts around third party research	Limited coordination around conference/ event leads
Silos	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Labor force mix	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Incentive model	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Systems	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Business Knowledge	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

☐ Not a driver
 ☐ Somewhat of a driver
 ☒ Key driver

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There are Five Common Drivers of Sourcing Problems (III)

Key Drivers	Problem		
	Inconsistent treatment of diversity-sourced candidates	Inadequate support for international efforts	Limited ability to mine former candidates
Silos			
Labor force mix			
Incentive model			
Systems			
Business Knowledge			

Not a driver

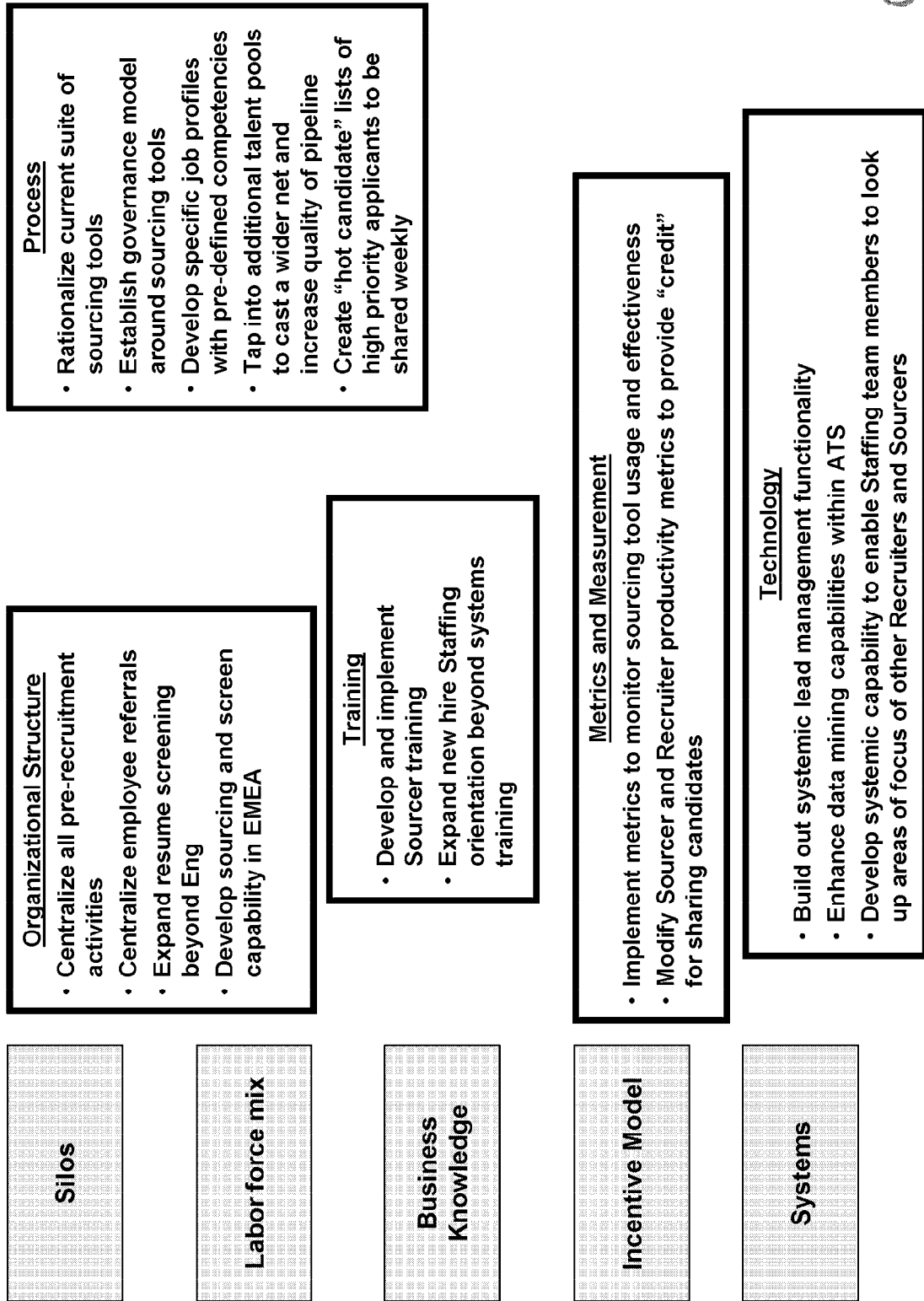
Somewhat of a driver

Key driver

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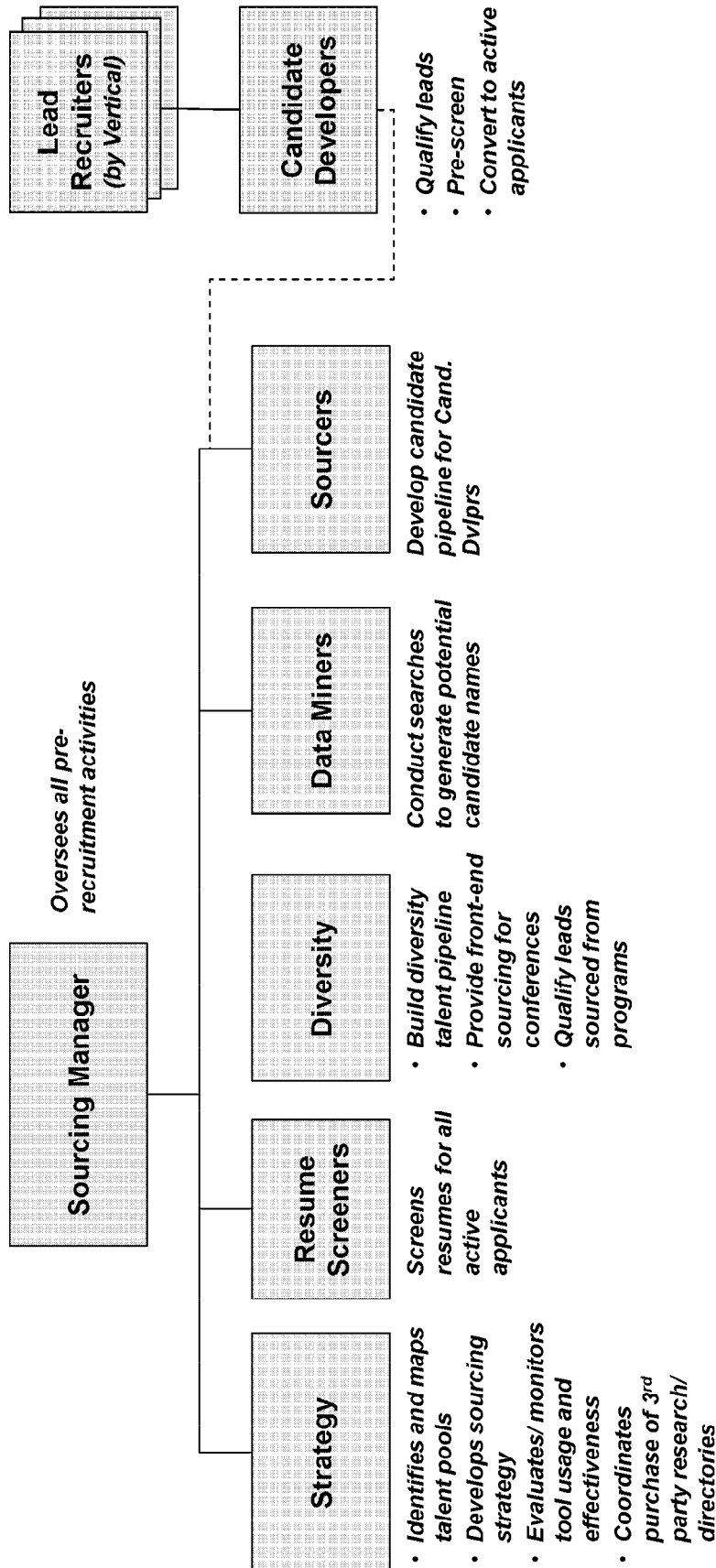
Key Drivers of Sourcing Problems Fall into Common Themes

Proposed Recommendations Attempt to Close Gaps Existing in Current Organization



Proposed Organizational Structure Seeks to Resolve Challenges With Current Organization

Expect to Achieve a Number of Benefits



Expected Benefits

- More efficient knowledge and best practice sharing
- Avoid diluting focus of Sourcers and Candidate Developers
- Greater consistency around sourcing tool usage
- Enables better sharing of candidates for positions with similar profiles and competencies
- Matrixed reporting structure between Sourcers and vertical Candidate Developers helps maintain business connectivity
- Centralized pool enables greater fungibility of resources and supports dynamic resource allocation model
 - Better able to allocate resources to areas where most needed; dynamic not static

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Proposed Solutions Attempt to Close Gaps Existing in Current Organization (I)

Theme	Recommendation	Problem it Will Help Address
Organizational Structure	<ul style="list-style-type: none"> • Centralize “Where to Look” and “Look & Find” activities under a Sourcing Manager <ul style="list-style-type: none"> - Sourcing strategy - Tool identification - Data mining - Candidate search - Lead qualification (including leads generated from events/conferences) • Central team acts as strategic sourcing arm <ul style="list-style-type: none"> - Develops and refines global sourcing strategy - Identifies, evaluates and monitors sourcing tool usage and effectiveness - Maps and updates global talent pools - Coordinates and purchases third party research and directories • Two utilities <ul style="list-style-type: none"> - One based in MTV, other in EMEA - Utilities to be aligned with Verticals • Maintain distributed models for “Contact & Cultivate”, excluding diversity • Centralize ownership of Eng, Ops and PSGA employee referrals <ul style="list-style-type: none"> - Create formal service level agreement to establish appropriate response times 	<ul style="list-style-type: none"> • No strategy or accountability around sourcing tools • Lack “One Google” perspective • Limited sharing of candidates across the organization • Duplicate search efforts for candidates with similar profiles and competencies • Sub-optimize efforts around third party research • Inconsistent treatment and limited coordination around conference/ event leads • Inconsistent treatment of diversity-sourced candidates • High variability in EE referral process and response times

Proposed Solutions Attempt to Close Gaps Existing in Current Organization (II)

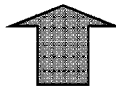
Theme	Recommendation	Problem It Will Help Address
Organizational Structure	<ul style="list-style-type: none"> Expand Resume Screening function to include Ops and PSGA <ul style="list-style-type: none"> Create international resume screening capability in EMEA 	<ul style="list-style-type: none"> Lack of calibration between Sourcers, Resume Screeners and Recruiters
Training	<ul style="list-style-type: none"> Establish formal Sourcer education series <ul style="list-style-type: none"> New hire orientation Refresher training for existing team members Training to include: <ul style="list-style-type: none"> Business/product overviews Overviews of office locations and specialties Profiles of ideal candidates and key competencies Resume screening skills Overview of sourcing tools 	<ul style="list-style-type: none"> Limited sharing of candidates across the organization High variability in quality of passively sourced candidates
Process Improvement	<ul style="list-style-type: none"> Within newly constructed centralized team, align "Look & Find" resources by vertical to ensure appropriate connectivity with business <ul style="list-style-type: none"> Prior to posting req, conduct 3-way meetings between Sourcer, Candidate Developer, Recruiter and Hiring Manager Create weekly "hot candidate" lists for candidates fitting overall Google profile but rejected for specific area 	<ul style="list-style-type: none"> High variability in quality of passively sourced candidates Limited sharing of candidates across the organization

Proposed Solutions Attempt to Close Gaps Existing in Current Organization (III)

Theme	Recommendation	Problem it Will Help Address
Process Improvement	<ul style="list-style-type: none"> Establish specific job profiles with pre-defined competencies for all position families within Google 	<ul style="list-style-type: none"> High variability in quality of passively sourced candidates
	<ul style="list-style-type: none"> Establish governance model around sourcing tools with broad representation <ul style="list-style-type: none"> - Develop evaluation criteria - Evaluate current tools - Rationalize current suite of tools - Establish on-going governance process 	<ul style="list-style-type: none"> No strategy or accountability around sourcing tools
	<ul style="list-style-type: none"> Tap into additional sources of talent in order to cast a wider net and increase quality of pipeline, e.g., <ul style="list-style-type: none"> - Develop University Alumni program - Cast wider net beyond target schools 	<ul style="list-style-type: none"> High variability in quality of passively sourced candidates
Metrics and Measurement	<ul style="list-style-type: none"> Develop and implement metrics to monitor usage and track effectiveness (ROI) of sourcing tools 	<ul style="list-style-type: none"> No strategy or accountability around sourcing tools
Technology	<ul style="list-style-type: none"> Modify Sourcer and Recruiter productivity metrics to provide "credit" for sharing candidates 	<ul style="list-style-type: none"> Limited sharing of candidates across the organization
	<ul style="list-style-type: none"> Build out systemic lead management functionality integrated with ATS <ul style="list-style-type: none"> - Currently in development 	<ul style="list-style-type: none"> Poor lead tracking and follow-up

Proposed Solutions Attempt to Close Gaps Existing in Current Organization (IV)

Theme	Recommendation	Problem it Will Help Address
Technology	<ul style="list-style-type: none"> • Develop system-based capability to enable Staffing team members to look up areas of focus of other Recruiters and Sourcers • Enhance data mining capabilities within ATS <ul style="list-style-type: none"> - More searchable database will enable more efficient sourcing of candidates with higher potential of being Google fit, e.g., <ul style="list-style-type: none"> • Former decline, Reject from Eng who is appropriate for PM 	<ul style="list-style-type: none"> • Limited sharing of candidates across the organization • Limited sharing of candidates across the organization



Next Steps

Estimated Timing

- | | |
|--|---|
| <ul style="list-style-type: none"> • Complete outstanding data analysis | July 31 |
| <ul style="list-style-type: none"> • Refine organizational and process recommendations <ul style="list-style-type: none"> - More clearly articulate roles and responsibilities - Flesh out process flows | July 31 |
| <ul style="list-style-type: none"> • Develop implementation and communication strategy | Aug 9 |
| <ul style="list-style-type: none"> • Continue moving forward with key tactical initiatives that will help move the needle in the short-term <ul style="list-style-type: none"> - Work with key Staffing stakeholders to develop and roll out Sourcer training by Sept - Rationalize current suite of sourcing tools and develop governance model for tool evaluation go-forward - Develop pilot university alumni program | Mid-Sept

Mid-Aug

Mid-Sept |

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APPENDIX

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(1)
Note:
Source: